



FORELAND FABRICTECH HOLDINGS LIMITED
(Incorporated in Bermuda with Company Registration No. 39151)

APPLICATION OF THE FORELAND FABRICTECH HOLDINGS LIMITED SCRIP DIVIDEND SCHEME TO THE FINAL DIVIDEND FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2011

The Board of Directors of Foreland Fabrictech Holdings Limited (the “**Company**”) is pleased to announce the application of the Foreland Fabrictech Holdings Limited Scrip Dividend Scheme (the “**Scheme**”) to the final one-tier tax exempt dividend of RMB 0.015 per ordinary share (“**Share**”) for the financial year ended 31 December 2011 (the “**FY11 Final Dividend**”). The payment of the FY11 Final Dividend was duly approved by Shareholders at the Annual General Meeting of the Company held on 27 April 2012 (“**AGM**”).

The Scheme will provide holders of fully-paid ordinary shares in the Company (“**Shareholders**”) with an option to elect to receive new ordinary shares in the capital of the Company (“**New Shares**”) in lieu of the cash amount of the FY11 Final Dividend. Entitlements to the FY11 Final Dividend will be based on the Shares held by Shareholders as at 5.00 p.m. on 10 May 2012 (the “**Books Closure Date**”).

Shareholders who wish to receive the FY11 Final Dividend in CASH need not take any action, provided they have not previously made permanent elections under the Scheme to receive New Shares in lieu of cash. Shareholders who have previously made such permanent elections under the Scheme (and whose permanent elections have not been cancelled or deemed cancelled) will receive New Shares in lieu of cash for the FY11 Final Dividend if they do not take any action.

APPLICATION OF THE SCHEME TO THE FY11 FINAL DIVIDEND

1. Eligibility

All Shareholders entitled to the FY11 Final Dividend will be eligible to participate in the Scheme in respect of the FY11 Final Dividend, subject to the terms and conditions of the Scheme.

Shareholders with registered addresses outside Singapore and who have not provided the Company or (as the case may be) The Central Depository (Pte) Limited (the “**CDP**”) with addresses in Singapore for the service of notices and documents (“**Foreign Shareholders**”) latest **by 5.00 p.m. on 2 May 2012** (being not later than five market days prior to the Books Closure Date) will not be eligible to participate in the Scheme.

Foreign Shareholders who wish to be eligible to participate in the Scheme must provide an address in Singapore for the service of notices and documents by notifying the Company c/o the Company’s Share Transfer Agent, Boardroom Corporate & Advisory Services Pte. Ltd., 50 Raffles Place, #32-01, Singapore Land Tower, Singapore 048623, or, if the Foreign Shareholder is a CDP depositor, to CDP at 4 Shenton Way #02-01, SGX Centre 2, Singapore 068807, not later than 5.00 p.m. on 4 May 2012.

Participation in the Scheme is subject to the requirement that such participation by a Shareholder will not result in a breach of any other restriction on such Shareholder's holding of Shares which may be imposed by any statute, law or regulation in force in Bermuda, Singapore or any other relevant jurisdiction, as the case may be, or by the by-laws of the Company, as amended, supplemented or modified from time to time (the "**By-laws**").

2. Election Notices

Notices of election ("**Election Notices**") are proposed to be despatched to eligible Shareholders on or about 28 May 2012.

Eligible Shareholders may elect to participate in the Scheme in relation to the FY11 Final Dividend only, or they may make a permanent election to participate in the Scheme in respect of the FY11 Final Dividend and all future dividends to which the Scheme is applied. These electives will be provided for in the Election Notices.

3. Permanent Elections

Eligible Shareholders who have previously made permanent elections under the Scheme (and whose permanent elections have not been cancelled or deemed cancelled) will receive New Shares in lieu of the cash amount of the FY11 Final Dividend. **They will be sent Scrip Dividend Entitlement Advices instead of Election Notices.**

Where an eligible Shareholder has previously made a permanent election in respect of his holdings of Shares to which a Notice of Election relates, the permanent election will be effective for all future qualifying dividends unless and until a notice of cancellation in the prescribed form is received by the Company or (as the case may be) CDP.

4. Issue Price

The Company will announce the price at which each New Share is to be issued after the Books Closure Date.

5. Fractional Entitlements

Where the number of New Shares which may be issued to a participating Shareholder under the Scheme includes a fraction but is not less than 0.5, the number of New Shares to be issued will be rounded up to the nearest whole number.

Where the number of New Shares which may be issued to a participating Shareholder under the Scheme is less than 0.5, the number of New Shares to be issued will be rounded down to the nearest whole number.

6. Notice of Books Closure Date and Dividend Payment Date

Notice of books closure for the FY11 Final Dividend is contained in a separate announcement entitled "Notice of Books Closure Date for Dividend" released by the Company today.

The FY11 Final Dividend will be paid on or about 26 June 2012 (the "**Dividend Payment Date**").

7. Odd Lot Trading

Shareholders should note that participation in the Scheme is likely to result in them receiving New Shares that may include some odd lots (less than 1,000 Shares).

By Order of the Board

Tsoi Kin Chit
Executive Chairman
27 April 2012